



TOWN OF NORTH SMITHFIELD AFFORDABLE HOUSING PRODUCTION PLAN



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Town Of North Smithfield
Affordable Housing Production Plan
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INTRODUCTION

The Town of North Smithfield recognizes the importance of providing a diverse range of housing so that North Smithfield residents of all income levels have access to safe, decent, and affordable housing. Attentive to the effects of Rhode Island's continued housing market boom on low- and moderate-income households and in compliance with the States Low-Moderate Income Housing Act, the Town of North Smithfield initiated this Affordable Housing Production Plan to determine the housing needs of the community and to identify and develop goals and strategies for the Town to ensure that the diverse housing needs of residents are met.

North Smithfield has an area of 24 square miles and a population of 10,618. The town is bounded on the north by Uxbridge, Millville and Blackstone Massachusetts; on the east by Woonsocket and Lincoln; on the south by Smithfield; and on the west by Burrillville.

First settled in 1666, North Smithfield was incorporated in 1871. Over time the Town has experienced a gradual transition from an agricultural based community to an industrially based community in the 19th century, to the present day combination of industry, business, suburban and rural housing. The Town has retained several of its mill and turnpike villages. Union Village initially developed as a stage coach stop along Great Road (Rt. 146A). Slatersville was the nation's first planned mill village. Forestdale, Branch Village and Waterford were all established around mills along the Branch River.

The influences of this early development can be seen in the Town today. The majority of the industrial development is still located along or near the Branch River. Small lot housing, with single family and two family homes is concentrated in and around the mill villages and adjacent to the Woonsocket town line. Conversely, the western and southern sections of Town (generally known as Primrose), retain a rural-residential character.

WHAT IS AFFORDABLE HOUSING?

Affordable housing is defined by the State as "residential housing that has a sales price or rental amount that is within the means of a household that is moderate income or less." What does "within the means" actually mean? Generally, the accepted definition of housing affordability is that a household should spend no more than 30% of their income on housing costs, including rent and utilities or a mortgage payment and be available to persons earning less than 80% of median income. The U.S. Department of Housing and Urban Development uses this definition in all of its affordable housing programs.

Affordable housing programs target low-income households. Each year the U.S. Department of Housing and Urban Development (HUD) calculates Area Median Incomes by family size for the Providence-Fall River-Warwick Metropolitan Statistical Area. The FY 2004 income cutoffs for North Smithfield residents to qualify for federal/state subsidized affordable housing are shown in Table 1.

Table 1: HUD FY2004 Income Limits, Providence MSA

	Family Size (persons)				
	2	3	4	5	6
30% AFMI	\$16,300	\$18,350	\$20,350	\$22,000	\$23,650
50% AFMI	\$27,150	\$30,550	\$33,950	\$36,650	\$39,400
80% AFMI	\$43,450	\$48,900	\$54,300	\$58,650	\$63,000

Source: HUD

As this chart shows, affordable housing in North Smithfield can target households earning in the \$50,000-\$60,000 range depending on family size.

PURPOSE OF THE AFFORDABLE HOUSING PLAN

North Smithfield has written this plan to create a framework for reaching the 10% goal set by the State. The plan details the need for affordable housing in North Smithfield, the obstacles to developing affordable housing, the number of units needed to reach the 10% goal and the strategies the Town will use to achieve the 10% goal.

WHO NEEDS AFFORDABLE HOUSING IN NORTH SMITHFIELD?

At public meetings, North Smithfield residents stated that affordable housing is most needed for young families and the elderly. Rising housing costs are shutting young families and those who were raised in North Smithfield out of the housing market.

The affordable housing crisis is not limited to North Smithfield; the whole of Rhode Island is struggling with this issue. Statewide, personal income increased 25% between 1998 and 2003, while the median sales price of a single-family home increased 87.6%.¹ The rapid escalation of housing prices has made affordable homeownership and rental housing increasingly difficult to find for many North Smithfield residents. In the first six months of 2004, the median sales price for a single-family home in North Smithfield was \$295,450, an 80.6% increase since 2001. At this price, assuming a 5% down payment, these homes are affordable to households earning a minimum of \$96,000 per year. The most recent data shows that a two-bedroom apartment in North Smithfield was \$1,021 per month. Thirty-eight percent (38%) of North Smithfield renters spend more than 30% of their income on housing and so are considered rent burdened.

¹ *The Economic Impact of the Housing Crisis on Business in Rhode Island*, Fleet Bank, RIPEC, and Ninigret Partners, Inc., 2004, p. 2.

HOUSING INVENTORY AND NEEDS

POPULATIONS IN NEED OF AFFORDABLE HOUSING

Families

It is a priority of the Town to provide housing opportunities which will allow families to live in North Smithfield without incurring a cost burden by paying more than they can afford or by living in substandard housing. However, with escalating housing prices, it is becoming increasingly difficult for families in North Smithfield find housing they can afford. The 2000 Comprehensive Housing Affordability Strategy Data Book (CHAS) indicates there are 202 low-income families with housing problems in North Smithfield. With single-family home prices so high, rental housing is the only alternative for many families. Average rents in North Smithfield are beyond what many working families can afford to pay.

Elderly

With fixed incomes and specific housing needs, it can be a challenge to provide appropriate housing for the elderly. North Smithfield's elderly population is growing, which places demands on the housing market. 2000 CHAS data indicates there are 318 low-income elderly households with housing problems in North Smithfield. For many elderly homeowners, staying in their large homes is no longer an option, for financial and/or maintenance reasons. Rising property values have created property tax burdens many elderly homeowners cannot afford. These residents could downsize, but there is not enough appropriate housing available.

Special Needs

Special needs housing incorporates a wide range of populations, including persons with physical or mental disabilities, battered women and their families, people recovering from addictions, and people with specialized health needs. Housing incorporating supportive services models have been developed to meet the needs of these populations.

Homelessness

In 2003, the RI Emergency Shelter Program provided shelter services to 1 person who listed North Smithfield as their last place of residence. In 2001 and 2002, 8 people and 2 people, respectively, listed North Smithfield as their last place of residence.

HOUSING STOCK

In 2000, North Smithfield had 4,058 housing units, an 8.8% increase since 1990². Historically the Town issues approximately 46 building permits per year. Population increased 1.15% between 1990 and 2000, while the number of households increased 6.09%. New households are spinning off from existing households, and the average household size is getting smaller. Twenty-seven percent of households are headed by a person age 65 or older, indicating the relative demand for elderly housing. At the time of the 2000 Census, 116 housing units (2.9%) were vacant³. North Smithfield's owner-occupancy rate of 79.2% is significantly higher than that of Providence County (53.2%) and the State (60%), indicating there is relatively less rental housing in North Smithfield.

Table 2: Housing Stock

	North Smithfield			Providence County			State		
	1990	2000*	%	1990	2000	%	1990	2000	%
Total Housing Units	3,835	4,070	6.1%	243,224	253,214	4.1%	414,572	439,837	6.1%
Vacant Units		116	2.9%		13,278	5.2%		31,413	7.1%
Occupied Units		3,954	97.1%		239,936	94.8%		408,424	92.9%
Renter-Occupied Units		823	20.8%		112,352	46.8%		163,274	40.0%
Owner-Occupied Units		3,131	79.2%		127,584	53.2%		245,150	60.0%
Source: U.S. Census Bureau, 1990 Census, 2000 Census									
* This housing count includes seasonal units which are not counted by RI Housing									

Since 2000 alone, plans for over 850 new housing units have been proposed for development. These units are in varying states of approval, with some still in conceptual design while others have commenced construction. Of the over 850 presented, 295⁴ are currently under construction. According to the Planning Department if all of these units are constructed it will represent an almost 50% increase in the rate of development as compared to what was developed between 1980-2000. It is important to note that since not all of these units have received final approval, it is possible that a number of these proposed units will not be constructed. However, consideration must also be paid to the fact that these units have all been proposed between 2000 and 2004, the Town will continue to see development proposals, which will further increase the rate of development within the Town.

Table 3, shows that the vast majority of housing units in North Smithfield are in single unit detached structures (i.e. a typical single-family home). Currently, the majority of rental housing is found in small houses, rather than in large apartment buildings. However, the majority of the 850 proposed units discussed above are in large multi-family developments, which is a significant change from the historical development patterns in North Smithfield. North Smithfield's housing stock is relatively old with only 38.5% of the housing units having been built after 1970. More information regarding the age of North Smithfield's housing stock can be found in Table A-3 in the Appendix.

² The 4,058 housing units does not include seasonal units and is calculated by Rhode Island Housing based on the 2000 census data.

³ The Census defines vacant units as housing units in which no one is living on Census Day. Units for sale/rent, newly constructed units not yet occupied, and seasonal/recreation units are all counted vacant, as well as abandoned buildings.

⁴ Includes: 162 -units Laurelwood, 71- units Rockcliff and 62- units Silver Pines.

Table 3: Units in Structure⁵
North Smithfield

Units in Structure	Number of Units	%
1	3,256	80.0
2-4	25	0.6
5-9	433	10.6
10+	273	6.7
Mobile home	15	0.4
Total	4,070	100.0

Source: U.S. Census Bureau, Census 2000

Lead-Based Paint Issues

According to the 2000-2005 State Consolidated Plan, an estimated 66% of all occupied units in North Smithfield contain lead-based paint. In 1998, 3% of North Smithfield children had elevated levels of lead in their blood. Any rehabilitation project involving pre-1978 buildings must include testing for lead-based paint and abatement where necessary.

COST OF HOUSING

Housing costs have been escalating rapidly in North Smithfield and throughout Rhode Island. From 2000 to 2003 Rhode Island had the fastest appreciating home prices in the country.⁶

The median sales price of a single-family home in North Smithfield through the end of September 2004 was \$299,000. Adjusted for inflation, this represents an 81.9% increase since 1997, or an average increase of approximately 13.1% per year. By comparison, median household income in North Smithfield increased 23.5% between 1990 and 2000, or an average of approximately 2.3% per year. Thus, increases in for-sale housing prices have far outstripped increases in income, making it more difficult for residents to afford a home in North Smithfield. Table 4 details the increases in the median sale prices of homes in North Smithfield and throughout the state between 1997 and September 2004.

⁵ This count includes seasonal units, which are not included in the RIH calculations for determining a community's number of Low-Mod units.

⁶ Office of Federal Housing Enterprise Oversight's *Housing Price Index Report*, March 1, 2004.

Table 4: Median Sales Price, Single Family Homes

	North Smithfield			State	
	Median Price	Annual % Change		Median Price	Annual % Change
1997	\$140,000			\$118,000	
1998	\$157,000	12.1%		\$122,600	3.9%
1999	\$155,000	-1.3%		\$126,000	2.8%
2000	\$173,950	12.2%		\$135,976	7.9%
2001	\$189,900	9.2%		\$156,000	14.7%
2002	\$240,500	26.6%		\$188,150	20.6%
2003	\$270,000	12.3%		\$220,000	16.9%
2004	\$299,000	10.7%		\$250,000	13.6%
% Change 1997-2004*		81.9%			80.4%
% Change 2000-2004*		71.0%			73.7%
<i>Sources: Rhode Island Living, Multiple Listing Service</i>					

The available data shows average rents in North Smithfield are slightly lower than the state average. In 2003, the average rent for 2 and 3 bedroom apartments in North Smithfield was over \$1,000. It is likely that rent increases have outpaced increases in median income, making it more difficult to afford rental housing. Table 5 details the results of the Rhode Island Housing rent surveys.

Table 5: Average Cost of Rental Housing

	North Smithfield			State**	
	2BR	3BR		2BR	3BR
1996	N/A	N/A		\$590	\$676
1998	\$675	N/A		\$613	\$732
2001	\$738	N/A		\$775	\$875
2002	N/A	N/A		\$863	\$1,017
2003	\$1,021	N/A		\$1,032	\$1,195
% Change 1996-2001*	34.0%	N/A		16.4%	14.7%
% Change 2001-2003*	N/A	N/A		20.7%	23.4%
<i>Source: Rhode Island Housing Rent Surveys.</i>					
<i>* Inflation adjusted to constant 2004 dollars</i>					
<i>** State Average rent is an unweighted average, meaning each city/town is counted equally</i>					
<i>*** 2003 rents include all utilities (heat, hot water, electric, cooking), using to HUD utility allowance if utilities were not included in advertised rent. Pre-2003 rents include heat and hot water only.</i>					

EXISTING AFFORDABLE HOUSING STOCK

Previous to the 2004 revisions to the State's Low-Moderate Income Housing Act, only affordable units developed with a state or federal government subsidy containing long-term affordability restrictions counts towards the 10% goal. According to Rhode Island Housing's most recent chart (July 2004), 275 units (6.78%) of housing in North Smithfield are considered low or moderate income. As of 2004, North Smithfield needs an additional 131 low-moderate income units to reach the 10% goal. However, this number will increase over time, as building permits are issued and new market-rate housing is constructed. Table 6 presents a list of all North Smithfield housing that currently count towards the 10% goal.

Table 6: North Smithfield's Low-Moderate Income Units⁷

Name	Address	# Units	Occupancy	Tenure	Funding Source
Colonial Village Apts. I*	60 School Street	50	Elderly	Rental	RHS 515
Colonial Village Apts. II*	60 School Street	25	Elderly	Rental	RHS 515
Gatewood Apts.	403 Mendon Road	60	Elderly	Rental	RIH Section 8
Deerfield Commons I	190 St. Paul Street	35	Elderly	Rental	LIHTC
Deerfield Commons II	190 St. Paul Street	23	Elderly	Rental	LIHTC
Deerfield Commons III	190 St. Paul Street	22	Elderly	Rental	LIHTC
Slater Homes	Pound Hill Road	14	Family	Ownership	Town CDBG
Group Homes	Scattered	46	Special Needs	Rental	Group Homes
Total Low-Mod Units		275			
Total Housing Units		4,058			
% Low-Mod		6.78%			
Summary	# Units	% of Total	Summary	# Units	% of Total
Family	14	5%	Rental	261	95%
Elderly	215	78%	Homeownership	14	5%
Special Needs	46	17%	TOTAL	275	100%
TOTAL	275	100%			

⁷ Both Colonial Village Apts. I and II are nearing the end of their 30 year affordability program. The property owners are currently in discussions with RIH and HUD about renewing their affordability restrictions, however, no final decisions have been made.

ANALYSIS OF HOUSING NEEDS

There are several ways to measure housing needs. Since no one method is all encompassing, several alternate measures of need are presented in this section. Together they paint a detailed picture of those in need of housing assistance in North Smithfield.

COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY DATA

The Department of Housing and Urban Development publishes detailed data on cost burdened households through its Comprehensive Housing Affordability Strategy (CHAS) data book. CHAS data counts the number of households experiencing housing problems in a community. Housing problems are defined as having a cost burden (spending more than 30% of income on housing), or living in substandard housing.⁸ According to 2000 CHAS data, 592 low-moderate income households (45.1%) in North Smithfield experienced housing problems. Regardless of income, more than 77% of those experiencing housing problems in North Smithfield face only cost burdens, indicating that substandard housing is not a major problem.

The data is broken down by household type (family, elderly or other), tenure (renter or owner) and income level (by percent of Area Median Income). This allows for a rather detailed look at who is experiencing housing problems. The analysis here is restricted to North Smithfield's low-income population, defined as those earning less than 80% of the Area Median Income. Table 7 details the CHAS data breakdown for North Smithfield, Providence County, and the state.

⁸ Substandard conditions are defined as living in overcrowded quarters (more than 1.01 persons per room) and/or living in a housing unit without complete kitchen and/or plumbing facilities.

Table 7: North Smithfield, Providence County, and Rhode Island CHAS DATA

North Smithfield				Providence County				Rhode Island			
Total Households		3,898		Total Households		239,846		Total Households		408,381	
Total Low Income Households		1,312		Total Low Income Households		130,829		Total Low Income Households		197,594	
# with Housing Problems		592		# with Housing Problems		69,550		# with Housing Problems		105,183	
% with Housing Problems		45.1%		% with Housing Problems		53.2%		% with Housing Problems		53.2%	
Low Income Households with Housing Problems, by Population											
	% with problems	# with problems	% of Total		% with problems	# with problems	% of Total		% with problems	# with problems	% of Total
Elderly	39.4%	318	53.7%		46.7%	21,002	30.2%		46.4%	33,154	31.5%
Small Family	49.4%	154	26.0%		55.9%	23,740	34.1%		56.7%	35,339	33.6%
Large Family	82.8%	48	8.1%		69.7%	7,937	11.4%		67.7%	10,443	9.9%
Other	53.4%	72	12.2%		52.8%	16,872	24.3%		54.2%	26,247	25.0%
Total		592	100.0%			69,550	100.0%			105,183	100.0%
Low Income Households with Housing Problems, by Tenure											
	% with problems	# with problems	% of Total		% with problems	# with problems	% of Total		% with problems	# with problems	% of Total
Renters	39.1%	207	35.0%		51.8%	43,963	63.2%		51.5%	60,485	57.5%
Owners	72.8%	385	65.0%		30.2%	25,602	36.8%		38.0%	44,661	42.5%
Total		592	100.0%			69,565	100.0%			105,146	100.0%
Low Income Households with Housing Problems, by Income											
	% with problems	# with problems	% of Total		% with problems	# with problems	% of Total		% with problems	# with problems	% of Total
< 30% AMI	59.9%	227	38.4%		70.9%	34,991	50.3%		70.6%	48,139	45.8%
30-50% AMI	36.0%	141	23.8%		56.5%	19,190	27.6%		57.8%	30,011	28.5%
50-80% AMI	41.4%	224	37.8%		32.4%	15,394	22.1%		34.9%	27,043	25.7%
Total		592	100.0%			69,574	100.0%			105,193	100.0%
Low-income defined as earning less than 80% of Area Median Income Small Family = 2-4 persons, Large Family = 5+ persons Source: 2000 CHAS Data Book, The Census Bureau uses a special rounding scheme on special tabulation data, such as the CHAS data. The CHAS tables are created from very disaggregate files. As a result, discrepancies exist between the reported CHAS data and data reported from the Census summary files.											

Analysis of CHAS data reveals the following:

- 592 of North Smithfield's 1,312 low-income households (45.1%) experienced housing problems, whereas 53.2% of both Providence County's and the state's low-income households experienced housing problems.
- Even though there are more low-income elderly households than low-income family households, a greater percentage of low-income families experience housing problems.
- In North Smithfield and throughout Providence County and the state low-income homeowners are more likely to experience housing problems than low-income renters. In North Smithfield 385 low-income homeowners experienced housing problems, compared to 207 low-income renters.
- In North Smithfield and throughout the state the lower the income, the more likely it is that a household experiences housing problems. There are 227 extremely low-income households (<30% AMI) experiencing housing problems in North Smithfield

The affordable units proposed by this plan reflect the need demonstrated in the CHAS data.

AFFORDABILITY GAP AND COST BURDEN

The affordability gap is the difference between what a household can afford to pay, and what it costs to afford the average home. Table 8 details the affordability gap in North Smithfield for both homeownership and rental properties.

The following table details the affordability gap in North Smithfield for both homeownership and rental housing.

Table 8: Affordability Gap in North Smithfield

Homeownership

\$299,000 Median Sales Price, Single Family Home, 2004*
\$96,800 Annual Income Needed to Afford
\$78,677 Median Homeowner Household Income, 2004 Income Estimate
\$18,123 GAP

Rental

\$1,021 Average Monthly Rent with Utilities, 2 Bedroom Apartment, 2001
\$40,850 Annual Income Needed to Afford
\$27,817 Median Renter Household Income, 2004 Income Estimate
\$13,033 GAP

Income needed to afford assumes spending 30% of income on housing.

For homeownership, assumes 5% downpayment, includes property taxes, insurance and PMI

The affordability gap poses a dilemma for North Smithfield residents: spend more than 30% of income on housing, or move someplace else in search of lower-cost housing. Many households have no choice but to spend more than 30% of income on housing, incurring a cost burden.

BUILDOUT ANALYSIS

A parcel specific buildout analysis was completed as part of the 1992 Comprehensive Plan for the Town. This build out analysis eliminated from development consideration all land severely constrained by wetlands and hydric soils, and unbuildable due to utility easements. Portions of sites limited by steep slopes, shallow bedrock and high water tables were not included as buildable land. Additionally, major areas proposed for public and recreational facilities and open space conservation were not included. The buildout analysis also did not take into account the conversion of existing structures into housing through adaptive reuse.

The buildout analysis revealed the potential to construct approximately 1,600 additional dwelling units if only single family homes were constructed. It also revealed that this total could increase to 2,100 dwelling units under the assumption that the zoning in place at the time allowed two-family unit development, accessory dwellings, mixed use, and multi-family development.

A buildout analysis was conducted in 2001 by Applied Geographics, Inc. as part of a series of buildouts prepared for Blackstone River Valley communities in Rhode Island and Massachusetts. The initiative was sponsored by the John H. Chaffee Blackstone River Valley National Heritage Corridor Commission and Blackstone Valley Tourism Council with assistance from Rhode Island Geographic Information System (RIGIS). Parcel data was not used for the purposes of this buildout analysis but the same types of development constraints were considered in determining buildable area. Essentially the Town was viewed as one large parcel without ownership divisions. The buildout number based on this assumption was approximately 4,500 new residential lots/units, more than twice the number estimated by the parcel specific buildout. It would be fair to assume that the actual buildout figure would be found between the 1,600 lots of the parcel specific buildout and the 4,500 lots estimated by the more recent buildout.

CONCLUSION

Regardless of how need is determined, North Smithfield has clearly identified a lack of availability of housing that is priced at a level local families and workers can afford. Furthermore, the number of households in need of affordable housing in North Smithfield is greater than the 10% goal set by the State. Public input suggests that the highest priorities for fostering housing development should be working families and the elderly.

BARRIERS TO AFFORDABLE HOUSING DEVELOPMENT

There are a number of barriers to affordable housing development in North Smithfield. An understanding of these barriers and the development process is necessary if the Town hopes to encourage affordable housing.

INFRASTRUCTURE

Water

Currently, approximately 30% of North Smithfield has access to a public water system. Unlike many communities with a central water authority, North Smithfield is served by three community water systems. The Slatersville Water Company serves residences and businesses in the Slatersville and Forestdale neighborhoods, in addition to the industrial park. The City of Woonsocket Water System provides water to residents in and around Union Village, as well as in the Mendon Road/Rhodes Avenue area of Town. The Town of Blackstone, Massachusetts Water System serves a limited number of residents in the Waterford section of Town.

Sewer

The Forestdale, Slatersville, Union Village, Mendon Road/Rhodes Ave, and Park Square areas of North Smithfield have access to public sewerage. The areas of the Town which do have sewer service are served by the City of Woonsocket Wastewater Treatment Plant as the Town does not have its own plant. The Woonsocket Wastewater Treatment Plant has 3.9 million gallons of flow per day (mgd) reserved for the Town of North Smithfield. The sewer interceptor that carries flows to the treatment plant is designed for 7.5 mgd. Flows to the treatment plant currently range from .5 mgd to .7 mgd. If all 6,208 units projected for the year 2025 (see Affordable Housing Development Schedule p.17) were connected to sewers approximately 2.43 mgd of capacity would be utilized leaving roughly 1.5 million gallons of surplus capacity.⁹

The portions of North Smithfield which do not have access to public water and sewer are served by on-site wells and individual sewage disposal systems. This limited public infrastructure restricts sustainable densities outside the water and sewered areas to single-family and two family homes on lots ranging from 1.5 acres to 2.75 acres, which makes it difficult to develop affordable housing.

Public Transportation

North Smithfield also lacks significant public transportation. At lower income levels, affordable housing residents often do not own a car. Public transportation enables residents to commute to work, and provides access to shopping, religious institutions, and government services.

⁹ Assumes 2.61 persons/unit and 150 gpd/person

ZONING

North Smithfield's Zoning Ordinance establishes four (4) residential zoning districts, ranging from REA-120 to RU-20. Eighty-eight percent (88%) of the land in North Smithfield is zoned residential (See Table A4 for district area figures). Residential development is not permitted commercial, business, or manufacturing districts, unless proposed under a land development project. A summary table of the zoning is provided in Table A3 of the Appendix. The smallest residential zoning classification is RU-20, which requires 20,000s.f. lots and is found primarily in Slatersville, Forestdale, Union Village, and Park Square.

Two new zones are being proposed (see Land Use Element) that will create more affordable housing in the densest areas of Town. The zones are identified as Village Residential and Mill Rehabilitation. While the specific dimensions associated with these zones have not yet been determined, density bonuses and other incentives associated with the creation of affordable units within these zones have already been discussed.

ENVIRONMENTAL FACTORS

The 1992 Comprehensive Plan documented that 58% of the available land in North Smithfield was classified as having severe development constraints. The remaining 42% was classified as having moderate development constraints. These constraints are caused by high water tables, shallow bedrock (ledge), and wetlands. The Town has a sizable number of large wetland systems, which in many cases divide large parcels of land, making the access to the buildable portion of the land difficult if not impossible. These environmental constraints limit the amount of buildable land on a parcel. The costs of permitting development around wetlands and the costs associated with ledge removal place many parcels of land outside the reach of affordable housing developers.

COST OF HOUSING AND LAND

The cost of housing and land is a major impediment to affordable housing development. Non-profit affordable housing developers have a difficult time finding a building or lot they can afford to develop affordable housing on.

COMMUNITY OPPOSITION

When affordable housing is proposed, fears of increased crime, neighborhood decline, and decreased property values often come up. In North Smithfield, several residents have expressed concern about affordable housing affecting the character of the community. Concern has also been expressed about the impact new affordable housing would have on the North Smithfield school system. The term NIMBY – Not In My Back Yard – has been coined to describe community opposition to affordable housing. Many people agree with the concept of affordable housing, but are strongly opposed when affordable housing is proposed in their neighborhood.

AFFORDABLE HOUSING ASSETS AND RESOURCES

Successful development of appropriate affordable housing in North Smithfield depends on identifying and effectively utilizing available resources, supporting and encouraging affordable housing developers, and engaging public support for affordable housing development. North Smithfield possesses or has access to a number of assets and resources that can facilitate affordable housing development.

VILLAGES

North Smithfield history as an industrial community has left it with a number of villages. Slatersville/Forestdale, Branch Village and Waterford contain traditional mill housing. The mill housing tends to be modest and a number of the homes could be rehabilitated through scattered site affordable housing projects. Union Village, which developed as a turnpike village, also contains modest housing, a number of which could be rehabilitated as affordable housing.

POTENTIAL UNITS IN NEW DEVELOPMENTS

North Smithfield is committed to passing an inclusionary zoning ordinance. When passed, this ordinance will require 10 to 20% of each development be set aside as affordable housing. Upon its passage, the ordinance will become a strong asset in helping North Smithfield reach its affordable housing goals.

WOONSOCKET NEIGHBORHOOD DEVELOPMENT CORPORATION

The Woonsocket Neighborhood Development Corporation (WNDC) is currently building an affordable elderly housing development in North Smithfield. When both phases of the development are completed, WNDC will have contributed over 80 affordable units to North Smithfield's affordable housing count. In addition to the elderly housing being developed in North Smithfield, WNDC has developed family housing in Woonsocket. WNDC also has a housing land trust which can be used to provide more affordable homeownership opportunities in North Smithfield. North Smithfield will work with this successful developer of affordable housing to develop additional affordable housing within the Town.

OTHER NON-PROFIT HOUSING DEVELOPERS

In addition to WND, the Women's Development Corporation (WDC) has successfully developed affordable housing in North Smithfield. Beyond community development corporations CDC's other non-profit agencies develop affordable housing. Examples include mental health agencies such as NMRI, Inc., community action agencies like East Bay Community Action Program and as well as special population organizations like United Cerebral Palsy Rhode Island, Aids Care Ocean State and Habitat for Humanity. In addition to WNDC and WDC, there are several other CDCs which develop affordable housing operating throughout Rhode Island.

TOWN PROGRAMS

North Smithfield offers a home repair and maintenance program using its Community Development Block Grant (CDBG) money. Administered through the Town Planning Department in cooperation with the City of Woonsocket Planning Department, the Town offers grants up to \$3,500 for home maintenance and low interest loans up to \$15,000 for home repair projects to low and moderate income individuals and families. The Town also provides tax exemptions for qualified elderly, veterans, and disabled residents.

The Town is also considering instituting a homestead exemption. If implemented, the homestead exemption would give North Smithfield property owners a discount on their taxes if they reside in property they own.

COMPREHENSIVE PERMITTING (R.I.G.L 45-53)

State enabled “comprehensive permitting” is a valuable tool which provides flexibility. It allows the Town to change the use of a property or the density without changing the zone. The Town can offer other incentives, such as relief from parking or set back requirements, in exchange for affordable housing. Even if a developer is not seeking relief, comprehensive permitting offers an expedited review process that can save a developer time and money in reduced holding costs, interest, and taxes. This cost saving can be passed down to the home sales price.

CONCLUSION

North Smithfield has access to a number of assets and resources for affordable housing development. The Town provides some programs for affordable housing, and there are a number of state and federal affordable housing production programs. The Comprehensive Permit process provides the flexibility to approve appropriate affordable housing proposals. These assets and resources provide a base for the Town to achieve its affordable housing goals.

HOUSING DEVELOPMENT PLAN

REACHING THE 10% GOAL

According to Rhode Island Housing's July 2004 calculations, 275 (6.78%) of North Smithfield's 4,058 housing units are low-moderate income. ***Today, North Smithfield needs 131 additional low-moderate units to reach its 10% goal of 406 low-moderate units; however, to keep affordable housing creation consistent with North Smithfield's pace, growth, and community character the Town needs to create 150 affordable units in the first six years and 65 affordable units every five years after that in order to reach the 10% goal by 2025.*** This reflects the normal growth in building permits (approximately 86 per year) which will add to the base over time.

Connection with Housing Needs

It is essential that there be a connection between the type and amount of affordable housing proposed by this plan and North Smithfield's affordable housing needs and what the CHAS data states.

- The *Analysis of Housing Needs* section suggests North Smithfield should prioritize affordable housing for families and the elderly.
- Accordingly, the Affordable Housing Development Schedule proposes 275 affordable units for families (both homeownership and rental), 50 affordable units for the elderly, and 25 units for individuals and special needs populations.
- The development schedule details the construction of an average of 88 units every five years until the Town reaches the 10% goal in 2025.

Feasibility

Given limited resources, it is not possible to meet the needs of every household that experiences housing problems. This plan proposes a development schedule that is both feasible and reasonable. Consideration has been given to the availability of financial subsidies, buildable land, buildings suitable for rehabilitation, and committed developers. The *Locations* recommendations speak further to the feasibility of this plan by identifying sites for affordable housing.

Implementation

The Town Planning Department is responsible for the implementation of this plan. The Town Planning Board and Town Council are responsible for changing the appropriate ordinances as recommended in the body of the plan, and approving affordable housing development identified in this report. In order for this plan to succeed as a framework for affordable housing development in North Smithfield, it is essential that the Town actively work with non-profit and for-profit developers to build affordable housing.

AFFORDABLE HOUSING DEVELOPMENT SCHEDULE

Progress Toward the 10% Goal Over Time* (Based on 86 Building Permits per year)

	2004	2010	2015	2020	2025
Total Housing Units**	4,058	4,918	5,348	5,778	6,208
10 % goal	406	492	535	578	620
Number of Affordable Units (2004 existing + new proposed by plan)	275	425	<u>490</u>	<u>555</u>	625
% Affordability:	6.78%	8.64%	<u>9.16%</u>	<u>9.61%</u>	10.07%
If North Smithfield were to meet the 10% goal in this year, the number of additional affordable units needed would be	131	67	<u>45</u>	<u>23</u>	-5

Type of Housing						Total
Individuals and Families (Homeownership and Rental)		<u>125</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>275</u>
Housing for the Elderly		<u>20</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>50</u>
Housing for Individuals and Special Needs Populations		<u>5</u>	<u>5</u>	<u>5</u>	10	<u>25</u>
Total New Units:		150	<u>65</u>	<u>65</u>	<u>70</u>	350

***Census counts of the total number of housing units are updated only once every ten years, therefore the number shown here represents the most recent Census figure (Census 2000)*
2010, 2015, 2020, and 2025 numbers have been formulated based on an estimated 86 building permits per year.

AFFORDABLE HOUSING GOALS

The Town of North Smithfield has developed the following affordable housing goals. These goals are the basis on which the strategies and actions described later in this document were developed. North Smithfield's affordable housing goals are as follows:

- 1. Create a Diversity of Housing Types to meet the needs of North Smithfield's low-moderate income residents, and special populations while maintaining North Smithfield's mixture of village and rural character.**
- 2. Ensure the Long-Term Affordability of North Smithfield's Housing Stock.** In addition to developing new affordable housing, it is important for the Town to preserve and maintain its existing housing stock. The Town will use deed restrictions or the WNDC housing land trust to ensure long-term affordability. A housing land trust holds properties for affordable housing, leasing the land for a nominal fee and setting resale restrictions on the houses. The combination of resale restrictions and retaining ownership of the land guarantees long-term affordability. Existing housing is an important source of affordable housing. Given land and construction prices, it is much more cost effective to maintain existing housing than to build new housing. Efforts will be made to improve substandard properties throughout the Town.
- 3. Meet and exceed the 10% goal for low-moderate housing stock.**

The Town of North Smithfield plans to achieve the goals described above through five comprehensive strategies:

- 1. Strengthen partnerships and build community support for affordable housing development.**
- 2. Revise the zoning ordinance to promote affordable housing.**
- 3. Identify programs and potential locations for affordable housing development.**
- 4. Identify existing and new resources for affordable housing development.**
- 5. Implement programs which ensure the long term affordability of North Smithfield's housing.**

These five strategy areas are designed to be realistic, practical, and consistent with the Town's affordable housing goals. The housing strategies are further detailed in Map 1, the Housing Locations Map. The map shows suitable potential locations for affordable housing in North Smithfield. Finally, this plan concludes with an Action Table which serves as the implementation tool for the plan. The Action Table includes the responsible parties, cost, funding source, and timeframe for the development of low-moderate income housing in North Smithfield.

STRATEGIES

1. Strengthen Partnerships and Build Community Support for Affordable Housing

*Issue-*To implement this plan, it will be critical for the North Smithfield Planning Department to reach out to those groups that have a major role to play in helping the Town achieve its affordable housing goals.

Recommended Actions

Action Item 1.1: Create a North Smithfield Affordable Housing Committee. A North Smithfield Affordable Housing Committee will serve as an advocate for affordable housing in the town. The Committee will be responsible for the implementation of the Town's Affordable Housing Plan, and will report annually to the Town Council on the Plan's progress. The Committee will also serve as a support network for affordable housing developers and providers, helping these groups share resources and information and strengthen relationships. *It is essential that the committee be comprised of residents and consumers, representatives from the fields of affordable housing development, banking, real estate, business, local community organizations (churches, charities, etc.) and Town government. This Board, comprised of North Smithfield residents will represent the broader community's support for affordable housing.*

Once established, the committee's tasks would include the following:

- **Monitor the implementation of the Affordable Housing Plan:** The Committee would monitor the implementation of the Affordable Housing Plan, and report annually to the Town Council on the Plan's progress. The Town Council would be responsible for ensuring the Plan is implemented.
- **Identify locations for future affordable housing development:** A major role of the Committee should be to identify sites for affordable housing on an ongoing basis. **The committee will advertise for new sites for affordable housing development on an annual basis.** This annual advertising provides a mechanism for replenishing the list of locations included in the plan, and will make the plan a dynamic document. The Planning Department will evaluate the locations recommended by the Committee to determine their suitability for affordable housing development.
- **Endorse appropriate affordable housing proposals:** The Committee should begin a program of endorsing affordable housing proposals that meet the criteria set by the Town and this plan. An endorsement from the Committee would show community support for affordable housing, and could expedite the approval process. Endorsements would be a source of prestige and developers would actively seek them out. This would encourage affordable housing proposals that are in line with the Town's objectives and priorities.

- Strengthen partnerships and working relationships for affordable housing: The Committee should assist in fostering and maintaining strong, supportive relationships between Town government; non-profit developers such as WNDC; and for-profit affordable housing developers. The Committee should help these groups share resources and information.
- Raise awareness of North Smithfield's affordable housing needs through public education: An educational program should be developed that more accurately describes the population in need of affordable housing, namely working families, children of current residents, and the elderly. This would help dispel the negative connotations commonly associated with affordable housing and combat NIMBYism (Not In My Back Yard). The Town could provide residents with information about affordable homeownership and rental opportunities and could encourage public discussion of these issues with Town officials and local affordable housing developers.

Action Item 1.2: Work with Woonsocket Neighborhood Development Corporation other non-profit organizations and for profit developers to develop affordable housing in North Smithfield. The Town will encourage and work with WNDC and other non-profit organizations to develop affordable housing in North Smithfield. WNDC has a proven track record of successful affordable housing development in North Smithfield and the surrounding communities. Fostering a stronger relationship between the Town and WNDC will provide greater opportunities for the Town and WNDC to provide much needed affordable housing.

Action Item 1.3: Collaborate with Rhode Island Housing to create a Section 8 affordable homeownership program. North Smithfield's Section 8 Vouchers are administered by Rhode Island Housing. The Town will work with Rhode Island Housing to start a Section 8 Homeownership program modeled on the one established by the Coventry Housing Authority.

2. **Revise the Zoning Ordinance to Promote Affordable Housing.**

Issue- Changes to zoning will make it easier to develop affordable housing in North Smithfield.

Recommended Actions

Action Item 2.1: Rezone the areas of R-40, RA-65, and REA-120 which are currently served by public sewer to R-20. The Town will rezone specific areas of R-40, RA-65 and REA-120 to R-20 in order to increase the density of housing in these areas. There are approximately 322 acres of R-40, RA-65 and REA-120 land which will be rezoned to R-20, a higher density. While much of this land is already developed, this zoning change allows for a number of subdivisions of existing lots. There are also a number of vacant or underdeveloped parcels within the rezoned areas that will increase the opportunities for multi-family housing development and will also allow for denser development on vacant lots. This zone change, coupled with incentives that will be articulated in the Zoning Ordinance, will result in the potential for approximately 150 new housing units in North Smithfield. **Assuming 20% of these units are deed restricted as affordable; this zoning change will yield at least 30 new affordable units for North Smithfield.**

Action Item 2.2: Mandate Inclusionary Zoning for all proposed developments greater than Six Units. Inclusionary zoning has been proven nationally as an effective tool for incorporating affordable housing into new developments. A mandatory inclusionary zoning ordinance requiring the provision of a minimum of twenty (20%) affordable units in all residential developments (including single family and multi-family) of six or more units, including subdivisions, condominium, and rental developments has been drafted. The Town will provide a variety of incentives including but not limited to tax breaks and density bonuses as compensation for the affordable unit requirements. In cases where including affordable units is not feasible, the Town will require the developer to make an offsite exaction, such as building the affordable units elsewhere, donating land to a housing trust fund, or paying an in-lieu-of fee to the Town's Affordable Housing Trust Fund. On average, there are between 5 and 7 developments a year with greater than 6 units in North Smithfield per year. **Conservatively, if there are 4 developments with an average of 7 units per year, in 20 years this would create 560 new housing units in North Smithfield, assuming that 20% of these units are affordable, this would yield approximately 112 new affordable housing units in North Smithfield over 20 years or approximately 6 new affordable units per year.**

Action Item 2.3: Mandate inclusionary zoning in the Town's Land Development Project Ordinance. The Town is currently at work on a Land Development Project Ordinance. This ordinance will create village district to govern the development of a variety of large projects throughout North Smithfield. The Town will include a provision for a minimum of 10% affordable housing in all mill redevelopment LDP's and a minimum of 20% affordable housing in all residential LDP's.

Action Item 2.4: Allow Duplexes by Right in the RS-40 district when deed restricted to ensure long term affordability. The zoning ordinance will be amended to allow duplexes by right in the RS-40 district when one of the units is ~~they are~~ deed restricted as affordable units. **The duplexes will only be allowed by right in the RS-40 district if they are deed restricted as affordable.** The Planning Department estimates that this could create an additional 47 affordable units for the Town. This figure is based on the fact that the majority of duplexes in North Smithfield are located in the RU-20 zone where they are currently allowed by right. It is expected that there will be a higher rate of duplex development in the RS-40 zone than occurs townwide (approximately 5%) with the adoption of the by-right provisions.

Action Item 2.5: Allow multi-family buildings by right in the RU-20 districts where public water and sewer service are available. Currently, multi-family buildings are allowed by special permit in RU-20 and RS-40. This zoning change will allow multi-family buildings by right in the RU-20 districts provided that public water and sewer are available. Based on a general comparison of vacant and underutilized parcels within the expanded RU-20 district to parcels developed for multi-family units in the existing RU-20 zone, it is estimated that approximately 120 units of multi-family housing would be developed. **Assuming 20% of these units are deed restricted as affordable; this zoning change will yield at least 24 new affordable units for North Smithfield.**

Action Item 2.6: Explore the feasibility of creating a Transfer of Development Rights program for affordable housing development. North Smithfield has a number of environmental constraints (wetlands, ledge, high water tables) which remove the development potential from a great deal of its land. A TDR program would allow North Smithfield to protect its environmentally sensitive lands while concentrating housing development in the village areas. The Town will commission a feasibility study on the development of a TDR program with the dual goals of environmental protection and affordable housing development to determine if such a program would be appropriate for the Town.

3. Identify Programs and Potential Locations for Affordable Housing Development.

Issue-North Smithfield faces a growing deficit of affordable housing. The Town must work with local non-profits such as the Woonsocket Neighborhood Development Corporation, Women's Development Corporation, and others to actively identify suitable locations for affordable housing development within the town. The Locations Summary Chart identifies the sites that have been recognized by North Smithfield as appropriate locations for affordable housing development. Map 1 located in the appendix provides more detailed information on the locations discussed in the Location Summary Chart. The Action Items of this section address these locations and others that are not yet identified.

Recommended Actions

Action Item 3.1: Create affordable homeownership opportunities by encouraging non-profit organizations to target housing in North Smithfield's villages (Slatersville/Forestdale, Branch Village, Union Village, and Park Square) for scattered rehabilitation. In North Smithfield the most appropriate locations for affordable housing are the higher density villages. These villages provide access to existing infrastructure, including public water and sewerage, schools, and transportation. Their higher density standards also make it easier to develop affordable housing. A windshield survey indicated that there were a substantial number of units in the Villages in need of rehabilitation. Union Village, in particular, abuts Woonsocket and units there could be purchased and rehabilitated by a non-profit such as WNDC. The Town will encourage and assist non-profit organizations to purchase substandard dwellings in the villages using HOME, CDBG, and BBC funds. The nonprofits will then rehabilitate the home and sell them to income qualified families. Long term affordability of the rehabilitated homes will be ensured through the use of deed restrictions or a community housing land trust.

Action Item 3.2: Mandate a minimum of 10% affordable housing in proposed Mill Rehabilitation districts. The Town is developing a mill rehab ordinance that will encourage the redevelopment of the Town's underutilized mills. A provision of the proposed ordinance encourages developers to reserve 20% of the housing units as affordable and will require as a minimum that the developers set aside at least 10% of the proposed residential units for low-moderate income residents.

Action Item 3.3: Monitor North Smithfield's underutilized mill buildings for redevelopment into affordable housing. Due to its industrial history, North Smithfield has several large mill buildings. Although some of these mill buildings continue to be used for industry the Town will evaluate their feasibility for redevelopment into affordable housing should they change hands or become vacant. The mill buildings are ideal locations for affordable housing development as they are serviced by public water and sewer and are located within village areas.

- **Slatersville Mills**-The Town is currently reviewing a mixed use redevelopment proposal for the Slatersville Mills calling for 228 housing units and will require that a minimum of 10% of the units are affordable with a target of 20%. The Slatersville Mills is served by public water and sewer. If the current redevelopment proposal should not move forward, the Town will continue to seek redevelopment proposals for the Slatersville Mills and will encourage a minimum of 20% affordable housing.
- **Blackstone-Smithfield Office & Industrial Park Complex (formerly Tupperware)** The historic brick mill structure in the former Tupperware Mill complex is currently occupied by a few industrial tenants, but contains a large amount of vacant space. A mixed use redevelopment proposal calling for 130 housing units has been presented to the Town and a minimum of 10% of the units will be required to be affordable with a target of 20%. The complex is served by public water from Blackstone, Massachusetts and has its own on site sewage treatment plant. If the current redevelopment proposal should not move forward, the Town will continue to seek redevelopment proposals for the complex and will encourage a minimum of 20% affordable housing.
- **Branch Mill**-Currently the Branch Mill has a few tenants, however, the majority of the structure is vacant. The mill is served by public water and sewer. To date no redevelopment proposals have been presented to the Town for the Branch Mill. However, the Town will continue to monitor the site, and should a redevelopment proposal be presented, the town will request that the development include 20% affordable housing.

Action Item 3.4: Encourage affordable housing development as part of a mixed use development on Eddie Dowling Highway. A new higher density, mixed-use growth center along Eddie Dowling Highway is currently being reviewed by the Town. Water and sewer is proposed to be extended to this location with water being supplied from Woonsocket. This land is an appropriate location for a mix of uses, including affordable housing. Any housing development which takes place as part of this mixed use development will incorporate a minimum of 20% affordable housing.

Action Item 3.5: Work with and encourage local religious institutions to develop affordable housing on their properties. A number of properties in North Smithfield, including the St. Antoine's Residence, The Villa at St. Antoine and St. Paul's School would be suitable for affordable housing development. The Town will work with these entities and local non-profit housing developers to facilitate the development of affordable housing on their surplus properties.

Action Item 3.6: Work with WNDC and other affordable housing developers to develop affordable housing on Town owned property. Several small lots located in the Elizabeth Avenue area and a large lot near the North Smithfield/Woonsocket border adjacent to the Borden Boulevard development would be suitable for development of affordable units. The town will enter discussions with WNDC and other non-profit developers as well as for profit developers to facilitate affordable housing development on these parcels.

Table E-4.3 itemizes the locations of potential affordable units. The affordable units identified below are based on a GIS review of ownership, environmental opportunities and constraints, discussions with the development community, and other experiential factors. The numbers are discreet, not duplicated; and the zone changes are illustrated on the Proposed Zone Changes map in the Land Use Element. Table A-5 Site Details provides detail on specific sites identified in the Locations Summary Chart and provides a reference to Map 1. Also illustrated in the Land Use Element is the buildout for certain specific projects, such as Slatersville Mill and Blackstone-Smithfield Mill. Buildout for these two mill projects is based on submissions made to the Town. The total unit figure for the Branch Mill is based on the total square footage of building space available in comparison to the Slatersville Mill and Blackstone-Smithfield Mill that have submitted development proposals. In terms of the buildout of other units, the Town expects that approximately 28 units will be generated by inclusionary zoning every five years; duplexes by right in the RS-40 zone should generate approximately 12 units every five years, rezoning of areas to RU-20 will generate approximately 7 or 8 units every five years, scattered rehabilitation will generate approximately 5 units every five years; and the other identified sites will produce approximately 37 units every five years.

Locations Summary Chart

Location	Current Zoning	Zoning Needed	Total Units*	Affordable Units
Inclusionary Zoning	Varies	Same	560	112 Family HO
Duplexes by Right in RS-40	RS-40 & RU-20	Same		47 Family Rental
Rezoning to RU-20	RS-40, RA-65, REA-120	RU-20	150	24 Family HO
Multi-family Buildings by Right in RU-20	RS-40, RU-20	RU-20	120	24 Family Rental
Scattered Rehabilitation	Varies	Same		
Slatersville/Forestdale			25	10 Family HO
Union Village			25	10 Family HO
Greenville Road (WND HUD202) (P11) (Buildout '07-'08)			80	80 Elderly Rental
Slatersville Mills (Buildout '08)			228	22 Elderly HO
Blackstone-Smithfield Mill (formerly Tupperware) (Buildout '08)			130	13*
Branch Mill (NTF)			120	12*
Eddie Dowling Highway M.U.D. (P12) (Buildout '09)			76	15*
Silver Pines Phase II & III (P1) (Buildout '08)			80	16*
St. Antoine's Property (P9) (NTF)			40	30*
St. Paul's School (P7) (NTF)			12	10*
Colonial Village Phase III (Comprehensive Permit) (P13) (Buildout '08)			50	13*
Town Owned Lots -Elizabeth Avenue (T1) (Buildout '07)			10	8*
WNDC Project (Comprehensive Permit)-Mechanic Street (P5) (Buildout '09)			20	20
Town Owned Lot Woonsocket Border (T2) (NTF)			20	20*
Various Village Sites (P2,P3,P4,P6, P8,P10) (NTF)			50	10*
Total Units Identified			1796	
Total Affordable Units Identified				502
Total Affordable Units Required				345

“HO= Home Ownership, “NTF” = No Timeframe

These sites combined will generate 15 rental units for the elderly, 15 home ownership units for the elderly, 57 rental units for families, 20 home ownership units for families, and 40 units for the special needs population.

*Potential units based on preliminary site analysis, buildout of each site will be specific to each development proposal.

4. Identify Existing and New Resources for Affordable Housing

Development.

Issue-Now and in the future, North Smithfield must be able to identify and utilize the resources available to facilitate the development of affordable housing.

Recommended Actions

Action Item 4.1: Establish a Local Affordable Housing Trust Fund as a Source of Funds for Affordable Housing Development. A local Affordable Housing Trust Fund would receive and manage funds for affordable housing development and preservation in North Smithfield. There are currently no local funding resources for affordable housing development in North Smithfield. An Affordable Housing Trust Fund would address this need.

Potential sources to contribute to an Affordable Housing Trust Fund include:

- Town budget appropriations Off-site exactions/in-lieu fees from new rental, condominium, and cluster developments
- Private contributions and charitable donations
- Private Foundations
- Land donations

The Trust Fund could be used for the following:

- Gap financing for rental and homeownership developments
- Subsidies for the development of family homeownership units in new developments via inclusionary zoning or at infill sites
- Purchase of land or property
- Construction of a house on donated property
- Feasibility studies and predevelopment costs born by the Town

The Town will apply to Rhode Island Housing for money to set up the Affordable Housing Trust Fund.

Action Item 4.2: Evaluate the creation of local historic districts around North Smithfield's eligible mills and mill villages. The creation of local historic districts around the eligible mills and mill villages will place the mills and the villages on the State and National Registers of Historic Places. This listing enables North Smithfield to use State and Federal Historic Preservation Tax Credits for the rehabilitation of buildings in these areas for affordable housing. The State Historic Preservation Office is willing to provide guidance to those communities seeking to add properties to the State and National Register. The State and Federal Historic Preservation Tax Credit programs are further detailed in the appendix.

Action Item 4.3: Maximize Existing Federal and state Funding Sources for Affordable Housing Development. For- and non-profit developers should make the best possible use of the following affordable housing development resources:

Source	Program Name	Source	Program Name	Source	Program Name
HUD	Section 202 (Elderly)	RIH	Low-Interest Mortgages	FHLB	Affordable Housing Program
	Section 811 (Special Needs)		Home Repair Loans	Fed	Low Income Housing Tax Credits
	Continuum of Care (Homeless)		Next Step (transitional housing)	Fed	Federal Historic Preservation Tax Credits
	Emergency Shelter Grants (Homeless)		Pre-development loans	State	Rhode Island State Historic Preservation Residential Tax Credit
	Housing Opportunities for Persons with AIDS (HOPWA)		Preservation (Section 8 apartments)	State	Neighborhood Opportunities Program (NOP)
	HOME Investment Partnerships Program (HOME)		Rental Housing Production Program		Family Housing Program Supportive Housing Program Building Better Communities
	Community Development Block Grant (CDBG)		Targeted Loans		
	Section 108 (Loan Guarantees)		Technical Assistance		
			Thresholds (Mental Illness)		
RIH = Rhode Island Housing, FHLB = Federal Home Loan Bank (Boston) HUD = U.S. Dept. of Housing and Urban Development					

These programs are described in further detail in the Appendix.

Action Item 4.4: Continue and Expand the Town's home repair and home maintenance grant and loan programs. In addition to developing new housing, it is important to repair and maintain existing housing. The Town, through its CDBG program, provides grants and low-interest loans for home repair and home maintenance for income eligible residents. Currently, home maintenance grants are designated for code related and other repairs of \$3,500 or less. Home repair loans of \$15,000 or less fund lead abatement and other property repair and energy conservation projects. The Town will expand these programs by offering up to \$30,000 in home repair grants and loans in exchange for a long term affordability restriction on the property.

Action Item 4.5: Create a Homebuyer Education, Closing Costs and Downpayment Assistance programs for affordable housing buyers. Several organizations throughout the state administers homebuyer education classes, helping first-time homebuyers become eligible for programs that can save them thousands of dollars. The Town and its agencies will apply to increase its CDBG funds to create and support a downpayment assistance program. Through this program, the Town could provide up to \$7,500 in assistance to eligible homebuyers who have completed a homebuyer education program.

5. Implement programs which ensure the long term affordability of North Smithfield's rental housing.

*Issue-*Without oversight the potential exists for affordable housing to be lost over the passage of time.

Recommend Actions

Action Item 5.1: Use the WNDC Housing Land Trust to Ensure Long Term Affordability. North Smithfield will ensure the long term affordability of affordable housing in the Town through the use of the WNDC housing land trust. The Land Trust would acquire and hold land and allow affordable homeownership units to be built on this land. These units could be sold to low-income families, but the WNDC land trust would retain ownership of the land, leasing it to the homeowners. If and when the homeowners decide to sell their home, the WNDC land trust would have a right of first refusal. The resale price would be determined by a formula that limits sellers to the price they originally paid plus certain percentage of the appreciated value of the home, as determined by an appraisal. The combination of the WNDC land trust owning the land and the capped resale price ensures the long-term affordability of these homes. By removing land costs from the housing equation, the WNDC land trust can significantly reduce the cost of ownership.

Action Item 5.2: Create a monitoring program for deed restricted affordable rental units. The Town will create a program in which the North Smithfield Affordable Housing Committee will annually monitor the rental of deed restricted affordable units to appropriate income qualified families. This program will ensure that housing units with long term affordability deed restrictions on them are not lost over time.

ACTION TABLE

The following Action Table serves as an implementation tool for the plan's recommendations. The Action Table outlines the responsible party, cost, funding source, and timeframe for each recommendation.

The following acronyms are used in the Action Table:

TC: Town Council
PB: Planning Board
PD: Planning Department
AHC: North Smithfield Affordable Housing Committee
NP: Non-Profit Developers
FP: For-Profit Developers
HUD: U.S. Department of Housing and Urban Development
RIH: Rhode Island Housing
HOME: HOME funds administered by Rhode Island Housing
NOP: Neighborhood Opportunities Program
CDBG: Community Development Block Grant
TF: Local Affordable Housing Trust Fund
LIHTC: Low Income Housing Tax Credits

STRATEGIES	Responsible Party	Cost	Source	Time Frame
Strengthen Partnerships and Build Community Support for Affordable Housing				
1.1 Create a North Smithfield Affordable Housing Committee	TC, PD	No Direct Costs	N/A	Within 6 months of plan adoption
1.2 Work with WNDC and other non-profit organizations to develop affordable housing in North Smithfield	AHC, NP, FP	\$50,000-100,000 per unit	State & Federal Funds	Ongoing
1.3 Collaborate with RIH to create a Section 8 Affordable Homeownership Program.	RIH, PD, TC, AHC	No Direct Costs	N/A	Year 1
Revise the Zoning Ordinance to Promote Affordable Housing				
2.1. Rezone the areas of RS-40 which are served by public water and sewer.	TC, PB, PD	No Direct Costs	N/A	Year 1
2.2 Mandate Inclusionary Zoning for all proposed developments greater than six units	TC, PB, PD	No Direct Costs	N/A	Year 1
2.3 Mandate Inclusionary Zoning in the Town's Land Development Project ordinance.	TC, PB, PD	No Direct Costs	N/A	Year 1
2.4 Allow duplexes by right in the RS-40 and RU-20 districts when deed restricted to ensure long term affordability.	TC, PB, PD	No Direct Costs	N/A	Year 1
2.5 Allow multi-family buildings by right in the RU-20 districts where public water and sewer service are available.	TC, PB, PD	No Direct Costs	N/A	Year 1
2.6 Explore the feasibility of creating a Transfer of Development rights program for affordable housing development.	PD, PB, AHC	No Direct Costs	N/A	Year 1
Identify Programs and Potential Locations for Affordable Housing Development				
3.1 Target housing in North Smithfield's villages for scattered rehabilitation into affordable housing	PD, AHC, FP, NP	No Direct Costs	N/A	Ongoing
3.2 Mandate a minimum of 10% affordable housing in the Slater Mill, Blackstone-Smithfield Mill and Branch Mill redevelopment.	PD, AHC, TC FP, NP	No Direct Costs	N/A	Ongoing
3.3 Monitor North Smithfield's underutilized mill buildings for redevelopment into affordable housing	PD, AHC, FP, NP	No Direct Costs	N/A	Ongoing
3.4 Encourage affordable housing development as part of a mixed use development on Eddie Dowling Highway.	PD, AHC, FP, NP, TC	No Direct Costs	N/A	Ongoing
3.5 Work with WNDC and other affordable housing developers to develop affordable housing on Town owned property	AC, PD, PB, TC	No Direct Costs	N/A	Ongoing

STRATEGIES	Responsible Party	Cost	Source	Time Frame
Identify Existing and New Resources for Affordable Housing Development				
4.1 Establish an Affordable Housing Trust Fund	TC	No Direct Cost	HOME, RIH, CDBG, Other	Year 1
4.2 Actively pursue the creation of local historic districts around North Smithfield's mills and mill villages	AHC, PB, PB, TC	No Direct Costs	N/A	Ongoing
4.3 Maximize Existing Federal and State Funding Resources for Affordable Housing Development	NP,FP	No Direct Costs	All	Ongoing
4.4 Continue and expand the Town's home repair and home maintenance grant and loan programs.	CDBG Administrator	Up to \$30,000 per unit	CDBG	Ongoing
4.5 Create homebuyer education, closing costs, and downpayment assistance programs	AHC, CDBG Admin	\$0 - \$7,500 per unit	CDBG	Ongoing
Implement Programs Which Ensure the Long Term Affordability of North Smithfield's Housing				
5.1 Use the WNDC land trust to ensure long term affordability of homeownership units.	AHC, WNDC	No Direct Costs	N/A	Ongoing
5.2 Create a monitoring program for deed restricted affordable rental units.	AHC, PD	No Direct Costs	N/A	Year 1

APPENDICES

Table A-1: Population and Household Data

	North Smithfield			Providence County			State		
	1990	2000	% ch	1990	2000	% ch	1990	2000	% ch
Population	10,497	10,618	1.2%	87,194	85,433	-2.0%	1,003,464	1,048,319	4.5%
Households	3,727	3,954	6.1%	32,731	35,228	7.6%	377,080	408,412	8.3%
Family		2,956			22,232			265,398	
Non-Family		998			12,996			143,026	
Elderly (65+)		489			8,852			107,335	
Average Household Size		2.61			2.35			2.47	

Source: U.S. Census Bureau, Census 1990, 2000

Table A-2: Income Data

	North Smithfield			Providence County			State		
	1990	2000	% ch	1990	2000	% ch	1990	2000	% ch
Median Household Income	\$47,420	\$58,602	23.6%	\$36,541	\$36,950	1.1%	\$32,181	\$42,090	30.8%
Median Owner Household Income		\$65,564			\$53,439			\$56,559	
Median Renter Household Income		\$25,288			\$22,114			\$24,361	

Source: U.S. Census Bureau, Census 1990, 2000

Table A-3: Age of Housing

Year Built	North Smithfield	
	Number	%
Built 1990 to March 2000	465	11
Built 1980 to 1989	519	13
Built 1970 to 1979	587	14
Built 1960 to 1969	590	14
Built 1950 to 1959	660	16
Built 1940 to 1949	470	12
Built 1939 or earlier	853	21
Total	4,070	100.0

Source: U.S. Census Bureau, Census 2000

Table A-4: North Smithfield Residential Zoning Summary

Name	Uses	Approval Process	Minimum Lot Size (s.f.)	Minimum Developable Area Per Bedroom (s.f.)	Description
Residential Zones					
REA-120	Single-family	P	120,000		Established where limited agricultural pursuits and low density residential uses are compatible with open space objectives.
Rural-Estate Agriculture	Two-family	S	120,000		
16.3% of Total Area	Acc. Family Unit*	P	N/A		
	Multi-family <6 units	N	N/A		
	Multi-family > 6 units	N	N/A		
RA-65	Single-family	P	65,000		Allows limited, orderly growth in areas where facilities for intensive, urban-type development appear unlikely in the near future.
Rural Agricultural	Two-family	S	130,000		
55.8 % of Total Area	Acc. Family Unit	P	N/A		
	Multi-family < 6 units	S	65,000	20,000**	
	Multi-family > 6 units	N	N/A		
RS-40	Single-family	P	40,000		Established to provide areas where medium-low density residential uses now appear feasible because community facilities such as public water or sewers are likely in the foreseeable future.
Suburban Residential	Two-family	S	80,000		
11.2% of Total Area	Acc. Family Unit	P	N/A		
	Multi-family < 6 units	S	40,000	6,000***	
	Multi-family > 6 units	S	40,000	6,000***	
RU-20	Single-family	P	20,000		Established to provide for a somewhat broader range of urban housing types and for higher residential densities.
Urban Residential	Two-family	P	30,000		
3.2% of Total Area	Acc. Family Unit	P	N/A		
	Multi-family< 6 units	S	6,000	4,000****	
	Multi-family > 6 units	S	6,000	4,000****	
P=Permitted use by right, S=Special Use Permit needed from Zoning Board, N=Not allowed * Accessory Family Units are not permitted in two family dwellings. **Minimum Lot Area of 65,000sf, plus 20,000sf for each bedroom. ***Minimum Lot area of 40,000sf, plus 6,000sf for each bedroom. Only permitted in areas with municipal water and sewer. ****Minimum Lot area of 6,00sf, plus 4,000sf for each bedroom. Only permitted in areas with municipal water and sewer.					

Table A-5: Site Details

Existing Affordable Sites

Detail Number	Development	Location	Plat/ Lot	Parcel Area	Type	# Of Affordable Units	Comments
1	Deerfield Commons I, II & III	Saint Paul Street	3-243	8.6	Elderly	80	
2	Gatewood Apartments	Mendon Road	6-305	4.5	Elderly	60	
4	Slater Homes	Pound Hill Road	7-65	5.7	Family	14	
3	Colonial Village	School Street	5-4	8.4	Elderly	75	End of Affordability term- may lose as Afford.
	MHRH/ Special Needs	Various			SP	46	
							275

Potential Affordable Sites

Detail Number	Location	Plat/ Lot	Parcel Area	Owner Contact/ Development Interest	Comments	Total # of Units	# Of Affordable Units
P 1	Main St. / Victory Hwy.	1-127 & 4-9	12.3	X	Phase II Silver Pines-80 units Master Plan pending winter '05	80	16
P 2	Buxton St.	1-44	14.7	X	Access limited marginal soils	30	6
P 3	Victory Hwy.	1-310	8.0	X	Possible Mixed Use development commercial zoning	30	6
P 4	Central St.	1-236	4.6		Good access and soils	20	4
P 5	Mechanic St.	1-69	4.9	X	Existing house, wetlands	16	3
P 6	Mechanic St.	1-71	29.1		Part of church retreat property, pond/wetlands	30	6
P 7	Saint Paul St.	3-22	0.9		Underutilized school building owned by St Paul's Parish	14	7
P 8	Mendon Rd.	6-62	8.9	X	Lantern House HUD subsidy found to lack income restrictions	60	60
P 9	Mendon Rd. / Rhodes Ave.	6-9 & 6-334	28.6	X	Excess land at Villa @ St Antoine and Hospice St. Antoine	60	30
P 10	Mendon Rd.	6-14	25.5		Access thru St Antoine, poor soils	30	6
P 11	Village Way	9-874	4.1		80 Units HUD 202 Elderly construction by late 2005	80	80
P 12	Eddie Dowling Hwy.	13-44	18.2		Units proposed as part of mixed use development, Master Plan approved	76	14
P 13	Colonial Village Phase III	5-4	8.4	X	Phase III additional 50 units (Potential Comprehensive Permit	50	10
						576	248

Potential Town Affordable Sites

Detail Number	Location	Plat/ Lot	Parcel Area	# Of Affordable Units	Total Units	Comments
T 1	Graves Ave.	3-75	0.2	2	2	Part of Elizabeth Ave. Phase II- Spring '05
T 1	Elizabeth Ave.	3-85	0.2	2	2	Sewer available Spring '05
T 1	Elizabeth Ave.	3-103	0.4	2	2	Combine w/101, sewer available in Spring '05
T 1	Elizabeth Ave.	3-101	0.1			Sewer will be available Spring '05
T 1	Briden St./Scotia Street	3-127	0.6	2	2	Sewer easement, abutts RR, access via Scotia St-Woon.
T 2	Off Great Rd.	6-19	26.9	30	30	Access thru Borden Boulevard development, steep slopes

Table A-5 Notes :

1. Total Unit figure assumes rezoning to the RU-20 District which requires a lot area of 6,000 sq.ft. and 4,000 sq.ft. for each additional bedroom.
2. Site P6 assumes rezoning to RS-40 District which requires lot area of 40,000 sq.ft. and 6,000 sq.ft. for each additional bedroom.
3. In determining the developable area of each Potential Affordable Site, a development constraint factor was applied based on soils, slopes and access etc.

Appendix A-6: Potential Funding Sources for Affordable Housing Development

U.S. Department of Housing & Urban Development (HUD)

HUD funds and administers a number of programs aimed at increasing and preserving the supply of affordable housing for diverse populations.

- Section 811 Supportive Housing for Persons with Disabilities: The Section 811 program provides opportunities for very low-income adults with disabilities and their families to live independently and receive supportive services. Section 811 tenants pay 30% of their incomes for rent.
- Section 202 Supportive Housing for the Elderly: The Section 202 program provides funding to enable very low-income elderly persons to live independently by increasing affordable rental housing with associated supportive services. Section 202 tenants pay 30% of their incomes for rent.
- Continuum of Care: HUD funds a number of programs under the *Continuum of Care*, a HUD system that recognizes that homeless people have different needs. *Continuum of Care* programs address the changing needs of homeless persons—from emergency shelter to transitional housing to permanent housing.
- Housing Opportunities for Persons With AIDS (HOPWA): The HOPWA program provides funding to develop and subsidize affordable housing for low-income persons and their families living with and affected by HIV/AIDS.
- Federal Housing Administration (FHA) Homeownership Programs: This FHA program supports homeownership by administering mortgage insurance programs to financial institutions issuing mortgages to moderately priced homes. FHA programs also include opportunities for people to live in the communities where they work, and opportunities for non-profits and local governments to purchase homes at discounted rates.
- Fair Housing Assistance Program (FHAP): This program supports State and local housing authorities in supporting fair housing through the enforcement of fair housing laws and ordinances.

Rhode Island Housing and Mortgage Finance Corporation

RIH provides financial and program support to create affordable housing for low- and moderate-income Rhode Islanders. The agency offers more than 20 homeownership and rental housing programs, which generally have purchase price and income eligibility restrictions. Some of these programs are outlined below:

- Home Repair Loans: Low-interest loans of up to \$15,000 for owner-occupied, one- to four-unit homes.
- Zero Down: No down payment financing that combines low-interest mortgages with federal loan guarantees.
- HOME: Grants and low-interest loans provided by HUD and administered by RIH to encourage the construction or rehabilitation of affordable housing.
- Next Step: Nonprofit social service agencies may apply for deferred-payment loans for the development of transitional housing for families and individuals in crisis. The maximum loan is \$20,000.
- Pre-development Loan: Short-term loans to qualified nonprofit developers to cover pre-closing costs incurred in determining development feasibility and obtaining site control.

- *Preservation*: RIH finances the purchase of or re-finance existing Section 8 housing in exchange for extending the affordability restrictions beyond the term of the original HAP contract. This program can also give Section 8 owners access to a project's residual reserves.
- *Rental Housing Production Program*: This is RIH's primary program for financing the construction and rehabilitation of affordable rental units. Proposed projects must be at least 12 units, and the units must be affordable to households earning no more than 60% of HUD's median family income.
- *Targeted Loans*: Deferred-payment loans to encourage construction and rehabilitation of affordable rental housing. This program is intended to serve as gap financing to ensure long-term affordability in the absence of other subsidies. Generally, Targeted Loans are available only when used with RIH first mortgage financing.
- *Technical Assistance*: RIH provides "how to" help and short-term loans for individuals, municipalities and nonprofit groups to strengthen their capacity and encourage the production and preservation of affordable housing.
- *Thresholds*: RIH provides grants for the development of housing that integrates persons with long-term mental illness into the community. Thresholds funds generally are used to supplement development budgets. In exchange, one of more units in a project are reserved for residents who are referred and assisted by mental health sponsors.
- *First Homes*: RIH offers income-qualified first-time homebuyers low-interest mortgages, and downpayment and closing cost assistance.

State and Federal Tax Credits

The *Low Income Housing Tax Credit (LIHTC) Program* was created by the Tax Reform Act of 1986 as an alternate method of funding housing for low- and moderate-income households, and has been in operation since 1987. These tax credits are used to leverage private capital into new construction or acquisition and rehabilitation of affordable housing. The tax credits are determined by the development costs, and are used by the owner. Most states look more favorably on projects serving a higher percentage of income-eligible households. Rhode Island Housing allocates these tax credits to qualified developers of affordable housing, who then sell them to investors, generating equity for the project.

The *Federal Historic Preservation Tax Credit Program* provides federal income-tax incentives for the rehabilitation of historic income-producing properties. Under the provisions of the Tax Reform Act of 1986, a 20% tax credit is available for the substantial rehabilitation of commercial, agricultural, industrial, or rental residential buildings that are certified as historic. The credit may be subtracted directly from federal income taxes owed by the owner. The Historic Preservation Tax Credit Program benefits the owner, the occupants, and the community by encouraging protection of landmarks through the promotion, recognition, and designation of historic structures; increasing the value of the rehabilitated property and returning underutilized structures to the tax rolls; and upgrading downtowns and neighborhoods and often increasing the amount of available housing within the community.

The *Rhode Island State Historic Preservation Residential Tax Credit* was created to encourage the maintenance and rehabilitation of Rhode Island's historic homes by providing an income tax credit to property owners who undertake preservation related work to their historic homes. This means maintenance work from routing painting to complex reconstruction work such as rebuilding chimneys and foundations are both eligible for the tax credit. All interior work, new construction, additions and landscaping are not eligible for this tax credit. To receive a tax credit, owners must spend a minimum of \$2000 on the project, and the building must either be listed on, or considered eligible for the National Register of Historic Places.

Community Development Block Grant (CDBG) Funds

CDBG Funds are given to communities who meet criteria based on the income of people residing in specific geographic areas. The primary objective of CDBG Funds is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income

Section 108

Section 108 is a loan provision of the CDBG program, providing communities with financing for economic development, housing rehabilitation, public facilities, and large-scale development projects. Up to five times the latest approved CDBG amount may be applied for under Section 108, minus any outstanding Section 108 commitments and/or principal balances on Section 108 loans for which the State has pledged its CDBG Funds as security. The maximum loan repayment period is 20 years.

Neighborhood Opportunities Program

The Neighborhood Opportunities Program (NOP) is administered by The Rhode Island Housing Resources Commission, and the major goal of this program is to "increase the supply of decent, safe, and affordable rental housing for very low-income families and individuals and to revitalize local neighborhoods." NOP has three subprograms: Family Housing Program provides funding for rental housing for families working at or near minimum wage. Permanent Supportive Housing Program provides funding for rental housing for persons with disabilities requiring ongoing supportive services, and is intend prevent homelessness. Building Better Communities supports revitalization efforts throughout the State, and can be used to rehabilitate buildings or provide homeownership housing for families earning up to 120% of the area median income.

Federal Home Loan Bank

The Federal Home Loan Bank of Boston provides low-cost funding, and other credit programs to enhance the financial strength of local lenders, providing then with adequate liquidity at competitive prices so that they can meet the housing finance and credit needs of their communities. The Federal Home Loan Bank advances funds at lower rates than available in the commercial market. Each year since 1989, The Federal Home Loan Bank has contributed 10% of its income to the Affordable Housing Program (AHP). This program subsidizes long-term financing for rental and homeownership housing for very low-, low- and moderate-income families.

Bond Funds

General Obligation Bonds are issued by the local municipality and are paid for by taxpayer. They can be used for physical improvements within municipalities.

Revenue Bonds provide public capital, and are paid for only by the users. There are a number of creative mechanisms for issuing Revenue Bonds.

Rhode Island Economic Development Corporation

The Rhode Island Economic Development Corporation (RIEDC) provides tax incentives and loans for economic development efforts throughout the State.

Foundations

Foundations such as the Champlin Foundation, the Rhode Island Foundation, Annie Casey, and United Way provide funding in the form of grants and loans to specific housing development projects.

Environmental Protection Agency

The Environmental Protection Agency (EPA) provides funding for clean up of contaminated air, soil and water. EPA funding may be available to clean-up proposed affordable housing development sites with contamination issues.

Map 1: Potential Affordable Housing Locations